



## PEER REVIEW PROGRAM

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American Institute of Certified Public Accountants  
Administered by the  
Society of Louisiana CPAs

### ENGAGEMENT REVIEW REPORT

August 20, 2013

To the Member  
Estess & Associates, LLC  
and the Peer Review Committee of the Society of Louisiana CPAs

We have reviewed selected accounting engagements of Estess & Associates, LLC (the firm) issued with periods ending during the year ended May 31, 2013. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to evaluate whether the engagements submitted for review were performed and reported on in conformity with applicable professional standards in all material respects. An Engagement Review does not include reviewing the firm's system of quality control and compliance therewith and, accordingly, we express no opinion or any form of assurance on that system. The nature, objectives, scope, limitations of, and the procedures performed in an Engagement Review are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary).

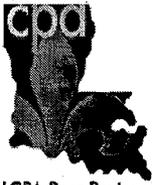
We noted the following deficiency during our review:

1. Deficiency-The compilation report referenced conformity with accounting principles generally accepted in the United States of America; however, the financial statements were prepared and presented on an other comprehensive basis of accounting. The firm has subsequently corrected the compilation report.

Recommendation-We recommend the firm review current professional standards related to compilation reports for financial statements prepared and presented on an other comprehensive basis of accounting. Once this review is completed procedures should be implemented to ensure that future compilation reports do not inappropriately refer to GAAP. Such means might include the use of a reporting checklist if one is not presently being used.

Based on our review, except for the deficiency described above, nothing came to our attention that caused us to believe that the engagements submitted for review by Estess & Associates, LLC issued with periods ending during the year ended May 31, 2013, were not performed and reported on in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Estess & Associates, LLC has received a peer review rating of *pass with deficiency*.

  
Joseph P. Vincent, Jr., CPA  
Review Captain



LCPA Peer Review Program  
Administered in Louisiana by the  
Society of Louisiana CPAs



AICPA Peer Review Program  
Administered by the  
Society of Louisiana CPAs

November 6, 2013

John Micheal Estess, CPA  
Estess and Associates, LLC  
8451 Highway 23 Ste 1  
Belle Chasse, LA 70037

Dear Mr. Estess:

On November 6, 2013, the Society of Louisiana CPAs Peer Review Committee considered the report on the most recent peer review of your firm and your firm's response thereto.

The Committee accepted the aforementioned documents with the understanding that the firm will take the actions outlined in its response to the report. Compliance with these actions will be monitored during your firm's next review. The due date for your next review is November 30, 2016 unless the firm at any time after the year end of this peer review performs, or is engaged to perform, any engagements under the Statements on Auditing Standards, Government Auditing Standards or examination engagements under the Statements on Standards for Attestation Engagements. This is the date by which all review documents should be completed and submitted to the administering entity.

Should you perform, or become engaged to perform, any engagements referred to in the previous paragraph, you must immediately notify us so we may determine if the firm should have a different due date that includes such engagements in accordance with the Standards for Performing and Reporting on Peer Reviews.

Please take a few minutes to complete the enclosed evaluation form concerning the administration of the peer review program. You may return the evaluation form to us via email [gsnyder@lcpa.org](mailto:gsnyder@lcpa.org) or fax 985-764-4345. Your opinion is important to us.

Thank you for your cooperation and support of the profession's practice-monitoring programs.

Sincerely,  
SOCIETY OF LOUISIANA CPAs

Stacey Lockwood  
Director of Professional Oversight  
[slockwood@lcpa.org](mailto:slockwood@lcpa.org) 504 904-1136

cc: Joseph Peter Vincent

Firm Number: 10153684

Review Number: 343056

Letter ID: 839289

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FINDING FOR FURTHER CONSIDERATION (FFC) FORM

FFC # 1

REVIEWED FIRM ESTESS & ASSOCIATES, LLC PEER REVIEW YEAR-END 05/31/13

MFC(S) COVERED BY THIS FORM (List MFC #s) 2

PROFESSIONAL STANDARDS REFERENCE(S) AR 80.20

INDUSTRY\* N/A

LEVEL OF SERVICE\* CO

REVIEWER'S DESCRIPTION OF THE FINDING

THE COMPILATION ENGAGEMENT SUBMITTED FOR REVIEW WAS PREPARED ON THE INCOME TAX BASIS OF ACCOUNTING AND OMITTED SUBSTANTIALLY ALL DISCLOSURES. THE COMPILATION REPORT REFERENCED CONFORMITY WITH ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATE OF AMERICA.

WERE SIMILAR FINDINGS NOTED IN THE PRIOR REVIEW? YES  NO

REVIEWER'S RECOMMENDATION

THE FIRM SHOULD REVIEW PROFESSIONAL STANDARDS RELATED TO THE PREPARATION OF COMPILATION REPORTS ACCOMPANYING FINANCIAL STATEMENTS PRESENTED ON THE INCOME TAX BASIS OF ACCOUNTING. ONCE THIS REVIEW IS COMPLETED THE FIRM SHOULD IMPLEMENT PROCEDURES TO ENSURE THAT COMPILATION REPORTS ARE IN COMPLIANCE WITH PROFESSIONAL STANDARDS ON ALL FUTURE ENGAGEMENTS.

REVIEWED FIRM'S RESPONSE (The response should describe: (a) how the firm intends to implement the reviewer's recommendation [or alternative plan if the firm does not agree with the reviewer's recommendation]; (b) the person(s) responsible for implementation; (c) the timing of the implementation; and, (d) if applicable, additional procedures to ensure that the finding is not repeated in the future.)

THE FIRM HAS REVIEWED PROFESSIONAL STANDARDS RELATED TO THE PREPARATION OF COMPILATION REPORTS AND THE ENGAGEMENT CITED IN THE PEER REVIEW. JOHN ESTESS IS RESPONSIBLE FOR IMPLEMENTING THE NECESSARY PROCEDURES. THE COMPILATION REPORT ON THE ENGAGEMENT REVIEWED HAS BEEN CORRECTED. NECESSARY PROCEDURES WERE IMPLEMENTED BY THE FIRM ON AUGUST 23, 2013.

Reviewed firm's additional response is attached

Individual charged with governance responsibility of the firm as a whole [Signature] Date: 8/23/13

Review Captain Joseph J. Vincent, Jr. Date: Aug 20, 2013

This document will be retained by the administering entity until the completion of the next peer review and will be considered during the performance of that peer review.

[The next page is 7001.]

\* Related industry and level of service should be noted in instances where the finding is industry specific.

Reviewer's Description of the Matter

A COMPILATION ENGAGEMENT THAT OMITTED SUBSTANTIALLY ALL DISCLOSURES SUBMITTED FOR REVIEW REFERENCED ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA THROUGHOUT THE REPORT. THE FINANCIAL STATEMENTS WERE PREPARED ON THE INCOME TAX BASIS OF ACCOUNTING AND WERE PROPERLY TITLED.

*To be completed by the reviewed firm:*

Reviewed firm agrees with the description of the matter? YES  NO

Reviewed Firm's Comments on Circumstances, Relative Importance of the Matter, and so on  
THE FIRM HAS CORRECTED THIS REPORT AND SUBMITTED THE CORRECTED REPORT TO THE REVIEWER.  
THE FIRM WILL IMPLEMENT THE NECESSARY CHANGES TO ENSURE COMPLIANCE WITH PROFESSIONAL  
STANDARDS ON ALL FUTURE ENGAGEMENTS.

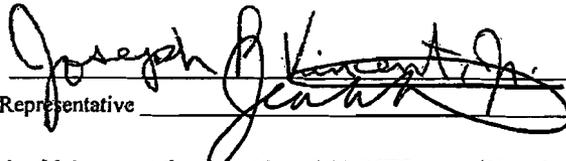
Reviewed firm representative<sup>2</sup> discussed the information above with the appropriate individuals within the firm? YES  NO

Review Captain's Additional Comments

I HAVE REVIEWED THE CORRECTED COMPILATION REPORT AND DO NOT FEEL THAT FURTHER MONITORING IS NECESSARY.

*Signatures*

Review Captain



*Dates*

08/20/13

Reviewed Firm Representative

8/27/13 ✓

*Review captain should document the disposition of this MFC on the Disposition of Matter for Further Consideration Form (section 6350).*

[The next page is 6601.]

<sup>2</sup> Reviewed firm representative may be the sole practitioner, peer review contact, or managing partner.